

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

Civil Division

Central District, Stanley Mosk Courthouse, Department 86

BS170127

**HILL RHF HOUSING PARTNERS LP ET AL VS CITY OF
LA ET AL**

October 30, 2018

1:58 PM

Judge: Honorable Mitchell L. Beckloff
Judicial Assistant: Fernando Becerra
Courtroom Assistant: None

CSR: None
ERM: None
Deputy Sheriff: None

APPEARANCES:

For Plaintiff(s): No Appearances

For Defendant(s): No Appearances

NATURE OF PROCEEDINGS: Ruling on Submitted Matter
HEARING ON PETITION FOR WRIT OF MANDATE

The Court, having previously taken the matter under submission on September 19, 2018, now makes its ruling as follows:

Petitioners, Hill RHF Housing Partner, L.P. and Olive RHF Housing Partners, L.P. challenge assessments to their real properties in the Downtown Center Business Improvement District (DCBID). Petitioners seek a peremptory writ of mandate requiring respondents, DCIB and the City of Los Angeles, to exempt petitioners' properties from all assessments based on respondents' failure to comply with applicable provisions of the state Constitution and/or Streets and Highways Code "and/or" respondents' failure to recognize petitioner's "tax exempt non-profit status." Alternatively, petitioners seek a declaration the DCBID "is invalid" as to petitioners' properties for the same reasons. Petitioners also seek an order enjoining respondents from collecting the assessments and an order requiring return of assessments with interest.

The local agency's quasi-legislative decision is properly challenged by traditional mandamus under Code of Civil Procedure section 1085.

PRELIMINARY ISSUES

Petitioners' request for judicial notice is granted.

Respondent DCBID's request for judicial notice is denied as irrelevant.

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Petitioners' objection to the declaration of Suzanne Holley is sustained. The court is not persuaded the declaration is admissible in these proceedings through Western States Petroleum Ass'n v. Superior Court (1995) 9 Cal.4th 559, 578 as claimed by DCBID. Nor is the court persuaded by Outfitter Properties, LLC v. Wildlife Conservation Board (2012) 207 Cal.App.4th 237, 251, the other case relied upon by DCBID to support the declaration's admissibility. The proffered evidence does not provide background information regarding the quasi-legislative decision, assist the court in understanding the local agency's decision or inform on whether the local agency fulfilled its duties in making the decision.

STANDARD OF REVIEW AND BURDENS

Courts exercise their independent judgment in reviewing whether an assessment imposed by a local agency complies with Proposition 218 and California Constitution Art. XIII D. (See Silicon Valley Taxpayers Ass'n, Inc. v. Santa Clara County (2008) 44 Cal.4th 431, 450 [hereinafter SVTA].) Thus, the local agency bears the burden of demonstrating the special benefit and proportionality. (Id. at 443-444. Golden Hill Neighborhood Ass'n, Inc. v. City of San Diego (2011) 199 Cal.App.4th 416, 424.)

It is well established Proposition 218 was intended to make it more difficult for an assessment to survive judicial review. (SVTA, *supra* at p. 445.)

The court is not persuaded by the authorities relied upon by respondents supporting their contention the burden of proof may be shifted to petitioners. DCBID's assertion petitioners must "make a *prima facie* case" before the court is required to undertake its independent review of the administrative record is not supported by SVTA at page 444 as claimed. The court also disagrees Morgan v. Imperial Irrigation Dist. (2014) 223 Cal.App.4th 892, 913 supports the notion of a burden shift.

PETITIONERS' CONTENTIONS

Petitioners assert the following arguments in support of their requested relief:

First, petitioners assert the assessments are invalid because they rely on unconstitutional amendments to the Streets and Highways Code. (ISSUE ONE)

Second, petitioners claim the assessments are invalid because (a) they are not based on special

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benefits; (b) special benefits have not been separated from general benefits; and (c) the assessments do not consider the unique characteristics of petitioner's properties. (ISSUE TWO)

Third, petitioners contend the engineer's report quantification of special and general benefits is not based on solid and credible evidence. (ISSUE THREE)

Fourth, petitioners claim the engineer's report fails to address whether residential parcels receive the same proportion of benefits as other parcels in the DCBID. (ISSUE FOUR)

Finally, petitioners assert as the assessments are invalid, they constitute a tax and petitioners are exempt from such taxes. (ISSUE FIVE)

ISSUE ONE: THE AMENDMENTS TO THE STREETS AND HIGHWAYS CODE ARE NOT UNCONSTITUTIONAL

Petitioners argue certain amendments to the Streets and Highways Code are inconsistent with SVTA. For that reason, petitioners contend the amendments are unconstitutional. The court is not so persuaded.

Petitioners take issue with the legislature's determination "incidental or collateral effects of . . . special benefits are inherently part of those special benefits. The mere fact that special benefits produce incidental or collateral effects that benefit property or persons not assessed does not convert any portion of those special benefits or their incidental or collateral effects into general benefits." (Sts. and Hy. Code sec. 36601, subd. (h)(2).)

Petitioners further argue: "DCBID's Report does not adequately demonstrate that the assessed properties receive a special benefit because, rather than relying on California Supreme Court's constitutional interpretation of what constitutes a special benefit, DCBID relies on recent updates to the California Streets and Highways Code which contradict the Supreme Court's findings." (Opening Brief p. 13:14-16.)

The Supreme Court in SVTA, however, took issue with an engineer's report "making no attempt" to "tie" a particular benefit to a "particular property." (SVTA at p. 453.) The district in SVTA was over 800 square miles in size and included over 314,000 parcels and 1.2 million people; the "district" was the entire County of Santa Clara. (SVTA at p. 437.) The engineer's assumption that a particular benefit will "affect people throughout the county [i.e. entire district]

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equally” was made with “no direct connection to any particular properties.” (SVTA at p. 454.) The Supreme Court concluded, “All the benefits are general benefits in this case, shared by everyone – all 1.2 million people – living within the district. The report does not even attempt to measure the benefits that accrue to particular parcels.” (SVTA at p. 454.)

In SVTA, the Supreme Court noted voters did not intend to “invalidate an assessment district that is narrowly drawn to include only properties directly benefiting from an improvement.” (SVTA p. 452, n. 8.) The Supreme Court limited its overall general benefit analysis by explaining it would not apply in a narrowly drawn district: “Thus, if an assessment district is narrowly drawn, the fact that a benefit is conferred throughout the district does not make it general rather than special.” (*Ibid.*)

Dahms v. Downtown Pomona Property (2009) 174 Cal.App.4th 708, in a case factually similar to the case now before this court and decided in this appellate district after SVTA, made the point as follows: ‘The [Pomona Business Improvement District (PBID)] is nothing like the district at issue in SVTA. In SVTA, all seven of the putative special benefits were merely the alleged effects of the two services directly funded by the assessments, namely, the acquisition and maintenance of open space land. In contrast, the special benefit conferred by the PBID are not mere effects of the services funded by the assessments. Rather, the PBID’s services themselves constitute special benefits to all of the assessed parcels. The assessments directly fund security services, streetscape maintenance services, and marketing and promotion services for assessed parcels. SVTA in no way suggests that those services are not special benefits.’ ((Dahms, *supra*, 174 Cal.App.4th at 725 [emphasis in original].)

Petitioners’ claim Streets and Highways Code section 36601, subdivision (e) conflicts with SVTA relies on an overbroad reading of SVTA. Moreover, petitioner’s position directly contradicts Dahms.

In addition, Streets and Highways Code section 36615.5 is completely consistent with Dahms. While Dahms predated the statutory amendment, it addressed and explained the notion of collateral and incidental benefits through the lens of SVTA. A special benefit under SVTA is one that will “affect the assessed property in a way that is particular and distinct from its effect on other parcels and that real property in general and the public at large do not share.” (STVA p. 452.) Dahms explained, “Under article XIII D, therefore, the cap on the assessment for each parcel is the reasonable cost of the proportional special benefit conferred on that parcel. If the special benefits themselves produce certain general benefits, the value of those general benefits

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need not be deducted before the (caps on the) assessments are calculated.” (Dahms v. Downtown Pomona Property, *supra*, 174 Cal.App.4th at 723.) That is, incidental and/or collateral effects to unassessed persons or property that may arise from the special benefit do not convert the special benefit into a general benefit.

ISSUE TWO

PART A: DCBID PROVIDES SPECIAL BENEFITS TO PARCELS WITHIN THE DISTRICT

Petitioners’ claim the DCBID does not provide special benefits because the special benefits are “general economic and quality-of-life enhancements,” is unpersuasive. Dahms v. Downtown Pomona Property, *supra*, 174 Cal.App.4th at 708, a case interpreting SVTA, eviscerates Petitioners’ position.

According to the engineer’s report, services are provided to the DCBID through (1) the Clean Program and the Safe Team Program; (2) an economic development and marketing program; and (3) management services related to the administration of the programs. Services are exclusively provided to parcels within the district boundaries. The services are beyond and in addition to those provided to the district by the City. (AR 97-101.)

The Clean Program provides sidewalk cleaning, trash collection, graffiti removal and landscaping. (AR 98.)

The Safe Team Program provides security services “for the individually assessed parcels located within the District in the form of patrolling bicycle personnel, nighttime vehicle patrol and downtown ambassadors. The purpose of the program is to “prevent, deter and report illegal activities taking place on the streets, sidewalks, storefronts, parking lots and alleys.” (AR 97.)

The economic development and marketing program provides “professionally developed marketing, communication and economic development” for the district. (AR 99.) The services implemented and planned include newsletters, public relations materials, information kiosks, a downtown center map, website design and operation, special events, advertising, targeted business mailings, trade show marketing and economic studies and planning. (AR 100-101.)

The management services relate to the professional staff required to run the programs within the district. (AR 101.)

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These exact types of programs were at issue in Dahms. In Dahms, the district provided security services, streetscape maintenance and marketing/promotion and special events for each and every real property within the district. Like here, the services were provided exclusively to those parcels within the district. Like here, the services provided were “over and above those already provided by the City within the boundaries of the” district. (Id. at 722.) Relying on SVTA, the court found the services were “particular and distinct benefits [that were] provided only to those properties within the [district], not to the public at large – they ‘affect the assessed property in a way that is particular and distinct from [their] effect on other parcels and that real property in general and the public at large do not share.’” (Ibid. [quoting SVTA].)

Dahms provides where every parcel in a district receives services, the “services provided by the [district] are . . . special benefits . . .” Dahms further found an engineer’s report sufficient where it separates these special benefits from general benefits – “(i.e., it separates them from benefits already provided by the City within the [district], or provided to the public at large).” (Ibid.)

ISSUE TWO

PART B: SPECIAL BENEFITS HAVE BEEN SEPARATED FROM GENERAL BENEFITS

The services provided are over and above those already provided by the City within the boundaries of the DCBID; the services constitute special benefits. They are particular and distinct benefits provided only to parcels within the DCBID. They are not shared by “real property in general and the public at large . . .” (Dahms, *supra*, 174 Cal.App.4th at 722.) The services are tied to specific parcels within the district. Therefore, the services are special benefits to parcels within the DCBID.

The engineer’s report specifically separates special benefits from general benefits.

The Safe Team Program “will supplement, not replace, other ongoing police, security and patrol efforts within the District.” (AR 97.) The Clean Program for petitioners’ zone of the district “will receive approximately 200 additional hours above the baseline level of sidewalk sweeping, sidewalk cleaning and graffiti removal.” (AR 98.) There may be some “spillover benefit” to parcels immediately adjacent to the district boundary because of the visual effect – cleaner sidewalks, an active safety patrol, and buildings in the district without graffiti. (AR 113.) These programs, while providing services only within the district, are visually observable.

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The marketing services are designed to “improve the positive perception of the District.” (AR 99.) The economic development and marketing program have a potential for “greater spillover benefit.” The “economic benefits of marketing may have a higher benefit to a parcel immediately adjacent to” the DCBID boundary. (AR 113.)

Finally, as noted by the engineer’s report, “The improvements and activities are managed by a professional staff that requires centralized management support.” (AR 101.) The services provided by the management staff related to services delivered “seven days a week” within the district. (AR 101.) Professional management services ensure “oversight and guidance that produces higher quality and more efficient programs.” (AR 101.)

ISSUE TWO

PART C: THE ASSESSMENTS ACCOUNT FOR DIFFERENT CHARACTERISTICS OF PROPERTY

Petitioners’ claim the engineer’s report fails to address whether residential parcels receive the same proportion of benefits as other parcels in the DCBID is unsupported by the record. Nothing supports the claim petitioners’ properties will receive fewer services from the DCBID. Services are delivered uniformly throughout the district. (“These services provide particular and distinct benefits to each of the assessed parcels in the District.” (AR 103.)) Thus, all non-vacant properties within the district receive the same exact services in proportion to their square footage.

The engineer’s report takes into consideration the characteristics of the different types of properties within the DCBID. The engineer’s report also specifically notes how each different property type is specially benefited. For example, petitioners’ properties are both within the category of residential and mixed-use residential. The engineer’s report notes residential and mixed-use residential “parcels benefit from District programs that provide an enhanced sense of security, cleanliness and a positive user experience which in turn enhances the business climate and improves the business offering and attracts new residents, businesses and District investment.” (AR 98 and 99.) With regard to economic development and marketing, residential and mixed-use residential “benefit from District programs that provide an increased awareness of District amenities such as retail and transit options which in turn enhances the business climate and improves the business offering and attracts new residents, businesses and District investment.” (AR 100.)

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Petitioners recognize their property will receive “some benefit from increased safety and cleanliness,” but dispute their property will receive the same overall value from such services as others. (Opening Brief p. 20:13-15.) Petitioners assert their “properties do not benefit in the same manner or amount as commercial properties,” because they cannot lease their properties at market rates as no less than 40 percent of their units must be leased to low-income tenants. (Opening Brief p. 20:10-12.)

As noted by DCBID, however, petitioners’ profit margins are not the proper basis for the assessment. Instead, it is the services that are provided to petitioners’ property. No doubt petitioners’ tenants will benefit from “District programs that provide an enhanced sense of safety, cleanliness and a positive user experience.” (AR 98.) Petitioners will also benefit from attracting new residents. (AR 99.)

ISSUE THREE AND FOUR: QUANTIFICATION AND PROPORTIONALITY

The engineer’s report sets forth the methodology used to determine the assessments within the DCBID. The plan creates two zones within the DCBID. While the majority of services provided are identical for both zones within the DCBID, the second zone receives more Clean Program services.

The engineer’s report provides a four-part analysis to determine the proportionate special benefit received by each parcel within the district from the Clean and Safe Team Programs, the economic development and marketing program and management services related to the administration of the programs. First, the proposed activities are defined. Second, the parcels specially benefitting from the services are identified. Third, the amount of special benefit each parcel receives is identified. Finally, “the proportional special benefit a parcel receives in relation to the amount of special benefit all other parcels in the [district] receive” is determined. (AR 107.)

The engineer relied upon “Assessable Square Footage” as the “methodology to levy assessments.” (AR 107.) “Assessable Square Footage is the total of gross building square footage, and/or when applicable land square footage, plus applicable, assessable parking square footage for each parcel.” (AR 107.) The engineer opined in this multi-use district, “The best way to determine each parcel[‘]s proportionate special benefit from the District programs is to relate each parcels building square footage to every other parcel’s building square footage, and/or when applicable, land square footage, plus applicable, assessable parking square footage for each

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parcel.” (AR 107.) The engineer noted “[p]arcels with non-parking building improvements will receive the most direct special benefit from [DCBID] improvements and activities.” (AR 107.)

As for parking, the engineer’s report draws a distinction between open parking lots and integrated or attached parking lots. As “parking structures and lots are primarily used to park cars and not to house tenants or businesses and because parking uses have less daily pedestrian traffic than similarly sized buildings, parking uses receive a differing level of special benefits from [DCBID] improvements and services.” (AR 108.)

Finally, special benefits conferred on vacant or undeveloped land is “assessed on land square footage.” (AR 109.)

Petitioners do not attack the engineer’s use of assessable square footage or distinctions between occupied property, parking lots or vacant land in determining assessments within the DCBID, and the weight of the evidence supports the engineer’s quantification methodology. There is nothing in the record to undermine the engineer’s opinion. A methodology had to be employed to determine proportionality; it would be unconstitutional to equally divide the special services costs by the number of parcels within the district. The methodology used by the engineer makes sense in that the size and general character of the property dictates the proportionate special benefit each parcel will receive. (See Dahms v. Downtown Pomona Property, *supra*, 174 Cal.App.4th at 720-721.)

Petitioner argues the quantification methodology “does not differentiate between the different uses of different parcels of land (e.g., the difference in usage in residential parcels versus retail parcels).” (Brief p. 21.)

Article XIII D, sec. 2(i), however, defines special benefit as “a particular and distinct benefit over and above general benefits conferred on a real property located in the district or the public at large.” It is undisputed that all of the programs are conferred on all of the properties within the district. Thus, the services provided by the district “are all special benefits conferred on the parcels within the district . . .” (Dahms v. Downtown Pomona Property, *supra*, 174 Cal.App.4th at 723.) Dahms does not mandate (as suggested in petitioner’s reply brief) consideration be given to the uses or specific characteristics -- such as low-income housing -- in apportionment methodology.

As noted above, petitioners’ argument they will not specially benefit from some of the services

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provided to all of the parcels within the DCBID is not supported by the record and is contradicted by it. That there is a rent restriction on 40 percent of the units within petitioners' buildings does not establish petitioners will not benefit from attracting new business and retaining others within the DCBID. As noted by the engineer's report, petitioner can expect to benefit from increased lease rates and residential serving businesses. (AR 97.) Petitioner can also expect to benefit in attracting new residents with "increased awareness of District amenities such as retail and transit options . . ." (AR 100.)

Petitioners take issue with the manner in which the engineer's report separates special benefits from general benefits. Petitioner asserts the separation fails to rely on solid, credible evidence. Petitioner contends separation of the special and general benefits in three categories – parcels inside the district, parcels outside the district but immediately adjacent and the public at large – is inadequate.

With regard to parcels inside the district, petitioners assert the engineer's report "incorrectly concludes that if a parcel specially benefits from the District's services, then it cannot generally benefit from those services." The court disagrees. SVTA recognized directly providing services to every parcel in a narrowly drawn district would constitute special benefits. (SVTA p. 452, n. 8.) Dahms is in accord. (Dahms v. Downtown Pomona Property, *supra*, 174 Cal.App.4th at 722.) The engineer's report separates the special benefits from the general benefits as to parcels within the district, "(i.e., it separates them from benefits already provided by the City with the [district], or provided to the public at large)." (*Ibid.*) (AR 97, 98, 100-101.)

For the 13 parcels immediately adjacent to the district and not in any other district, the engineer's report calculates a general benefit based on a "spillover." (AR 112.) The report recognizes the spillover benefit of the Clean and Safe Team Programs is likely less than that of the economic development and marketing services because the boundaries of the Clean and Safe Team Programs can be observed – e.g., cleaner sidewalks, less graffiti, and particular patrol areas. The engineer's report explains parcels in other districts "are already receiving special benefit from their PBID/BBID activities and thus are not generally benefitted from the Downtown Center PBID activities." (AR 113.)

The engineer assigned a relative benefit factor to the 13 parcels outside the DCBID and not within any other district. "The relative benefit factor is a basic unit of measure that compares the benefit that parcels inside the District receive compared to parcels outside of the District. Since the parcels in the District boundary receive 100% of the special benefit they are assigned a

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relative benefit factor of 1.0 for each PBID activity. Since the parcels outside of the district boundary do not directly receive any PBID activity they are assigned a benefit factor less than 1.0 for each PBID activity.” (AR 113.)

In terms of economic development and marketing activity, the engineer assigned a relative benefit factor to the 13 parcels of .50. The engineer believed the estimate was “a conservative” one. (AR 113.) For the Clean and Safe Team Programs, the engineer assigned a relative benefit factor of .25. (AR 113.) The engineer’s report thereafter calculates an overall spillover general benefit of .12% to these programs. Based on the engineer’s calculations for spillover, the assessment for the district was reduced.

The Registered Civil Engineer noted in his report, “[t]here is no scientific method to determine the relative benefit factors” (AR 114.) The engineer determined the relative benefit factor based on his 50 years of experience and results of other studies both in Los Angeles and other jurisdictions. (AR 114.)

Importantly, the relative benefit factors result in a reduction to the overall assessment to property owners within the DCBID. Subdivision (f) of section 4 of Article XIII D “requires the agency to prove that the assessment imposed on a parcel does not exceed the reasonable cost of the proportional special benefit conferred on that parcel.” (*Dahms v. Downtown Pomona Property, supra*, 174 Cal.App.4th at 718 n. 8.) “That is, article XIII D leaves local governments free to impose assessments that are less than the proportionate special benefit conferred – in effect to allow discounts.” (*Id.* at 716.)

As in *Dahms*, the district’s “services themselves constitute special benefits to all of the assessed parcels.” (*Id.* at 725.) Therefore, the parcels within the district could have been assessed no more than the reasonable cost of the proportionate special benefit conferred on a particular parcel; no reductions were required. That the district elected to provide a reduction in the assessment based on collateral and incidental benefits conferred outside of the district does not render the assessment unconstitutional.

The court is not persuaded *Beutz v. County of Riverside* (2010) 184 Cal.App.4th 1516 and *Golden Hill Neighborhood Ass’n, Inc. v. City of San Diego* (2011) 199 Cal.App.4th 416 require a different determination. Neither *Beutz* nor *Golden Hill* involved a situation like here or in *Dahms* where special services were provided exclusively to each parcel within a narrowly drawn district such that each parcel receives a direct advantage from the services provided by the

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district.

In Beutz, similar to SVTA, the district consisted of “all residential properties in the community of Wildomar” and related to park maintenance within the community. (Beutz v. County of Riverside, *supra*, 184 Cal.App.4th at 1519.) “Missing from the [engineer’s] Report [was] an analysis of the quantity or extent to which the general public may reasonably be expected to use or benefit from the parks in relation to which occupants of Wildomar residential properties, either in the aggregate or individually, may use or benefit from the parks.” (Id. at 1533 [emphasis in original].)

The Beutz court rejected the County’s argument the circumstances were no different than in Dahms: “Here, the County argues that the general benefits the public may enjoy from the use of the Wildomar parks is no different than the general benefits the public or outlying parcels enjoyed from the services assessment on the downtown Pomona properties in Dahms. For this reason, the County argues, the assessment on Wildomar residential properties is not required to be reduced by the general benefits that the use of the parks will confer on members of the general public.” (Id. at 1538.)

In rejecting the County’s argument, the Beutz court explained, “Unlike Dahms, this is not a case in which services specifically intended for assessed parcels concomitantly confer collateral general benefits to surrounding properties. Rather, this case involves the failure to separate and quantify the general and special benefits that will accrue, respectively, to members of the general public and occupants of Wildomar residential properties from their common use and enjoyment of the Wildomar parks. The Wildomar parks, like all public parks, will be used by the public at large at least to some extent.” (*Ibid.*)

Golden Hill is similar. In Golden Hill, services benefitting the general public – trail and canyon beautification services as well as lighting for a public park and golf course – were not accounted for in the engineer’s report. (Golden Hill Neighborhood Ass’n, Inc. v. City of San Diego, *supra*, 199 Cal.App.4th at 439.) Thus, the district parcels were assessed not just for special benefits; the district was also impermissibly assessed for general benefits provided to the public at large. (*Ibid.*) Golden Hill did not present a district where the district parcels were the exclusive recipient of special benefits as in Dahms.

[Petitioners did not mention Dahms in their opening brief. Given the factual similarities and its explanation of SVTA, respondents extensively supported their arguments before the court with

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Dahms. Consequently, petitioners addressed Dahms in their reply brief wherein they noted in footnote 1 their belief their arguments were “not directly on point with the issues in Dahms which is why it was not discussed” in their opening brief.

The court is not persuaded based on the arguments made by petitioners Dahms is distinguishable from this case.

First, the discount given by the business improvement district in Dahms for certain nonprofit entities did not inform on the overall assessment scheme. As noted in Dahms, to the extent discounts were given, the local agency would be required to cover that shortfall from some source outside the business improvement district. Nothing prevented the local agency from making a policy decision the assessments for those entities should be discounted.

Second, while the court agrees respondents’ arguments the legislative amendments in issue here were intended to codify Dahms are unsupported, Dahms interpreted SVTA. The legislative amendments are consistent with Dahms and SVTA. As the facts here are nearly identical to Dahms, the statutes are not unconstitutional as applied to petitioners.

Based on the factual similarity, under principles of stare decisis, Dahms is controlling on this court. There is no conflict in the appellate districts on the issue such that this court is free to deviate from Dahms in favor of reasoning from a different appellate opinion. As noted above, Beutz and Golden Hill did not address a situation where special benefits were conferred on each and every parcel within a narrowly drawn district.]

ISSUE FIVE: PETITIONER IS EXEMPT FROM THIS INVALID TAX

As petitioners have not prevailed on their claims and has not demonstrated the assessment is invalid, the court need not reach this claim.

Based on the foregoing, the petition is denied.

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

Civil Division

Central District, Stanley Mosk Courthouse, Department 86

BS170127

**HILL RHF HOUSING PARTNERS LP ET AL VS CITY OF
LA ET AL**

October 30, 2018

1:58 PM

Judge: Honorable Mitchell L. Beckloff
Judicial Assistant: Fernando Becerra
Courtroom Assistant: None

CSR: None
ERM: None
Deputy Sheriff: None

Petitioner's exhibit 1 is ordered returned forthwith to the party who lodged it, to be preserved unaltered until a final judgment is rendered in this case and is to be forwarded to the court of appeal in the event of an appeal.

Administrative record is to be picked up directly from Department 86 within 10 days from this order.

Counsel for respondent is to prepare, serve and lodge the proposed judgment within ten days. The Court will hold the proposed judgment at least ten days for objections.

The Clerk is to give notice.

Certificate of Mailing is attached.